Here, when a voltage is applied to the gate electrode 1202 to switch on the thin film transistor (TFT), a voltage is applied to the source electrode 1207 to induce electric field between the source electrode 1207 and the common electrode 1203 disposed so as to confront the source electrode 1207. The liquid crystal molecules 1241a are orientationally turned to liquid crystal molecules 1241b. The liquid crystal molecules 1241b are kept to be substantially parallel to the direction of the electric field generated between the source electrode 1207 and the common electrode 1203 disposed so as to confront the source electrode 1207.

B1

Please replace the following paragraph beginning at page 11, line 24, with the following rewritten paragraph:

Figs. 4A and 4B are cross-sectional view and plan view showing a liquid crystal display according to a second mode of the present invention;

B2

Please replace the following paragraph beginning at page 12, line 2, with the following rewritten paragraph:

Figs. 6A to 6E are cross-sectional view showing a method of manufacturing a liquid crystal display device according to the third mode;

B3

Please replace the following paragraph beginning at page 23, line 19, with the following rewritten paragraph:

The liquid crystal display device of the third mode is the same as the first mode in that a gate electrode 505 is formed on a glass substrate 501, a thin film transistor comprising a drain electrode 506 and a source electrode 507 is formed through a gate insulating film 504, and a

B4

B4 cancel.

passivation film 512 is formed on the thin film transistor. Further, a color filter layer 517 is formed on the passivation film 512, and a first overcoat layer 513 is formed so as to cover the color filter layer 517. The overcoat layer 513 is formed of a transparent insulating film which is hard to be charged up.

Please replace the following paragraph beginning at page 24, line 21, with the following rewritten paragraph:

B5

The third mode is similar to the first mode in that the orientation films are formed on the surface of the active matrix substrate on which the unit pixels designed as described above are disposed in a matrix arrangement and on the surface of the counter substrate, both the substrates are subjected to rubbing treatment in a predetermined direction and the liquid crystal is driven by using laterally-directing electric field occurring between the pixel electrode 508 and the common electrode 509 disposed on the active matrix substrate to thereby vary the light transmissivity. The liquid crystal layer 515 is sandwiched between the counter substrate 516 and the second overcoat layer 514.

Please replace the following paragraph beginning at page 25, line 7, with the following rewritten paragraph:

B6

As in the case of the first mode, as shown in Fig. 6A, a thin film transistor is formed on the glass substrate, the passivation film 512 for protecting the thin film transistor and the glass substrate 501 is deposited. and then a color filter layer 517 is formed by using pigment-dispersed type photosensitive acrylic resin or the like.

Please replace the following paragraph beginning at page 25, line 12, with the following rewritten paragraph:

B7 Subsequently, as shown in Fig. 6B, the first overcoat layer 513 is formed by using transparent photosensitive acrylic resin or the like, a through hole 518 is formed in the first overcoat layer 513 and at the same time a through hole is formed on the passivation film 512.

Please replace the following paragraph beginning at page 25, line 17, with the following rewritten paragraph:

B8 Subsequently, as shown in Fig. 6C, the pixel electrode 508 to be connected to the source electrode 507 through the through hole 518 is formed on the first overcoat layer 513 by using ITO or the like.

Please replace the following paragraph beginning at page 25, line 20, with the following rewritten paragraph:

B9 Subsequently, as shown in Fig. 6D, the second overcoat layer 514 is formed. When the second overcoat layer 514 is formed of a photosensitive organic film by using a coating method or the like, the through hole 518 is flattened, and both of the pixel electrode 508 and the common electrode 509 can be prevented from being short-circuited to each other. Therefore, this method is preferable.

Please replace the following paragraph beginning at page 25, line 28, with the following rewritten paragraph:

B10 As described above, according to the third mode, electric field is prevented from being

applied to the liquid crystal layer 515 from the upper and lower sides at all times, and thus the device of the third mode has such a structure that the display deterioration hardly occurs unlike the prior art. Further, since the through hole on the first overcoat layer 513 is flattened by the second overcoat layer 514 the short-circuit between the pixel electrode 508 and the common electrode 509 can be prevented.

B10 cont.

Please replace the following paragraph beginning at page 27, line 7, with the following rewritten paragraph:

Accordingly, in the fourth mode, the common electrode 709 is disposed on the first overcoat 713 on the color filter 717, and the pixel electrode 708 is disposed on the second overcoat layer 714 formed so as to cover the first overcoat 713 and the common electrode 709. The area sandwiched between the pixel electrode 709 and the common electrode 709 forms one pixel. The common electrode 709 is disposed on the wire and TFT, and it serves as a light shielding member as in the case of the second mode.

B11

Please replace the following paragraph beginning at page 28, line 1, with the following rewritten paragraph:

As in the case of the first mode, as shown in Fig. 8A, a thin film transistor is formed on the glass substrate 710, the passivation film 712 for protecting the thin film transistor and the glass substrate is deposited, and then a color filter layer 717 is formed by using pigment-dispersed type photosensitive acrylic resin or the like.

B12

Please replace the following paragraph beginning at page 28, line 6, with the following rewritten paragraph:

B13 Subsequently, as shown in Fig. 8B, after the first overcoat layer 713 is coated, the common electrode 709 is patterned by using metal such as chromium/molybdenum or the like.

Please replace the following paragraph beginning at page 28, line 9, with the following rewritten paragraph:

B14 Subsequently, as shown in Fig. 8C, after the second overcoat layer 714 is coated, the through hole penetrating trough the first and second layers 713, 714 and the passivation films 712 is formed.

Please replace the following paragraph beginning at page 28, line 12, with the following rewritten paragraph:

B15 Finally, as shown in Fig. 8D, the pixel electrode 708 to be connected to the source electrode 707 through the through hole 718 is formed on the second overcoat layer 714 by using ITO or the like.

Please replace the following paragraph beginning at page 40, line 2, with the following rewritten paragraph:

B16 Thereafter, nematic liquid crystal having positive permittivity anisotropy was injected into the gap between the substrates, and the injection hole was sealed by photocurable resin. An optically negative compensation film 121 whose Δnd is equal in absolute value, however, opposite in sign to And of the liquid crystal layer was attached, and then polarizing

plates were attached to the upper and lower substrates so that the transmission axes thereof were perpendicular to each other. An optically positive compensation film may be used in place of the optically negative compensation film.

Please replace the following paragraph beginning at page 41, line 16, with the following rewritten paragraph:

Thereafter, nematic liquid crystal having positive permittivity anisotropy was injected into the gap between the substrates, and the injection hole was sealed by photocurable resin. An optically negative compensation film 121 whose Δnd is equal in absolute value, however, opposite in sign to Δnd of the liquid crystal layer was attached. and then polarizing plates were attached to the upper and lower substrates so that the transmission axes thereof were perpendicular to each other. An optically positive compensation film may be used in place of the optically negative compensation film.

IN THE CLAIMS:

Please cancel claim 27 without prejudice or disclaimer:

Please amend claims 26, and 28-31:

26. (Amended) A method of manufacturing a liquid crystal display device comprising a first substrate, a second transparent second substrate, and a liquid crystal layer and a color filter layer sandwiched between said first and second substrates, comprising the steps of:

forming said color filter layer on said first substrate;

forming said liquid crystal layer between said color filter and said second substrate;